

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 8, 1997

S. 730

A bill to amend title 38, United States Code, to increase the rate of special pension for persons on the Medal of Honor roll and to make retroactive the entitlement of certain Medal of Honor recipients to the special pension

As ordered reported by the Senate Committee on Veterans' Affairs on October 7, 1997

Under current law, a special pension is paid to 168 recipients of the Medal of Honor whose names appear on the Army, Navy, Air Force, and Coast Guard Medal of Honor Roll. Monthly payments increased from \$100 a month in 1965 to \$200 a month in 1979 and to \$400 a month in 1994. S. 730 would immediately increase the payment to \$600 a month and index future payments based on the indexation of Social Security benefits. The bill would also award retroactive payments to three World War II veterans or their survivors.

CBO estimates that enacting S. 730 would cost the federal government less than \$500,000 a year. Because the bill would affect direct spending, pay-as-you-go procedures would apply.

S. 730 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would not affect the budgets of state, local, or tribal governments.

The estimate was prepared by Mary Helen Petrus. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.